

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, FEBRUARY 3, 2009**, upon the application of **MATADOR PRODUCTION COMPANY**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Cotton Valley Formation, Reservoirs A and E, the Haynesville Zone, Reservoir A, and the Smackover Zone, Reservoir C**, in the Caddo-Pine Island Field, Caddo Parish, Louisiana.

COTTON VALLEY FORMATION, RESERVOIRS A AND E

1. To redefine the Cotton Valley Formation, Reservoir E, as being the stratigraphic equivalent of that interval encountered between the depths of 6,792' and 8,390' (electrical log measurements) in the Texaco, Inc.-D.L. Gish et al No. 1 Well, located in Section 23, Township 20 North, Range 15 West.
2. To redefine the Cotton Valley Formation, Reservoir A, insofar and only insofar as to the existing units designated CV RA SUA, CV RA SUG, CV RA SUH and CV RA SUL through CV RA SUS, as being the stratigraphic equivalent of that interval encountered between the depths of 6,792' and 8,390' (electrical log measurements) in the Texaco, Inc.-D.L. Gish et al No. 1 Well, located in Section 23, Township 20 North, Range 15 West.
3. To confirm the drilling and production units previously created for the Cotton Valley Formation, Reservoir E, by Office of Conservation Order No. 122-M-7, effective August 15, 2006, Order No. 122-M-9, effective June 26, 2007, Order No. 122-M-10, effective November 27, 2007 and Order No. 122-M-12, effective January 8, 2008, said units being designated CV RE SUA through CV RE SUE, as remaining in full force and effect as drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir E, as redefined in the manner provided above.
4. To confirm the drilling and production units designated CV RA SUA, CV RA SUG, CV RA SUH and CV RA SUL through CV RA SUS, previously created for the Cotton Valley Formation, Reservoir A, by Order No. 122-M, effective January 1, 1977, and Order No. 122-M-15, effective July 22, 2008, as remaining in full force and effect as drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, as redefined in the manner proposed above.
5. Except as in conflict herewith, to continue in full force and effect the provisions of the Order No. 122-M Series of Orders.
6. To consider such other matters as may be pertinent.

The Cotton Valley Formation, Reservoir E is currently defined in Order No. 122-M-7, effective August 15, 2006.

The Cotton Valley Formation, Reservoir A was initially defined in Order No. 122-M, effective January 1, 1977, and was redefined as to the units designated CV RA SUA, CV RA SUG, CV RA SUH and CV RA SUL through CV RA SUS, by Order No. 122-M-15, effective July 22, 2008.

HAYNESVILLE ZONE, RESERVOIR A

1. To create sixteen (16) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30 of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
3. To designate unit operators of, and unit wells for, the proposed additional units as may be appropriate.

4. To provide that with respect to any horizontal well drilled within these proposed units, where the horizontal portion of the well is cased and cemented back above the top of the Haynesville Zone, the distance to any unit boundary will be calculated based on the distance to the nearest perforation in the well and not based on the penetration point or terminus in the Haynesville Zone.
 5. To confirm that the downhole combination authority granted in Order No. 122-10, effective August 15, 2006, Order No. 122-16, effective July 22, 2008 and Order No. 122-18, effective July 29, 2008, relative to certain units created for the Cotton Valley Formation, Reservoirs A and E, and for the Smackover Zone, Reservoir C, as previously defined, is applicable to the proposed units for the Haynesville Zone, Reservoir A.
 6. To extend to the proposed additional units, except as in conflict herewith, the provisions of Order No. 122-Y, effective August 26, 2008.
 7. To consider such other matters as may be pertinent.
- The Haynesville Zone, Reservoir A is defined in Order No. 122-Y, effective August 26, 2008.

SMACKOVER ZONE, RESERVOIR C

1. To redefine the Smackover Zone, Reservoir C, as being the stratigraphic equivalent of that interval encountered between the depths of 10,300' and 10,530' (electrical log measurements) in the Texaco, Inc.-D.L. Gish et al No. 1 Well, located in Section 23, Township 20 North, Range 15 West.
2. To confirm the drilling and production units previously created for the Smackover Zone, Reservoir C, by Order No. 122-X-1, effective August 15, 2006, Order No. 122-X-3, effective July 22, 2008, and Order No. 122-X-4, effective July 29, 2008, said units being designated SMK RC SUA through SMK RC SUP, as remaining in full force and effect as drilling and production units for the exploration for and production of gas and condensate from the Smackover Zone, Reservoir C, as redefined in the manner provided above.
3. Except as in conflict herewith, to continue in full force and effect the provisions of the Order No. 122-X Series of Orders.
4. To consider such other matters as may be pertinent.

The Smackover Zone, Reservoir C is currently defined in Order No. 122-X-1, effective August 15, 2006.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA

12/18/08;12/23/08

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.